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MAY 2011 – INPUTS TO THE NATIONAL DEVELOPMENT PLAN: AMBITIOUS GOC ROADMAP FOR REFORM

A cornerstone of the Colombian Presidential Administration's agenda is the National Development Plan (NDP), a legally binding document framed by the country's macroeconomic and fiscal reality that establishes major ideas, initiatives, projects and plans for the President's upcoming four-year term.

In light of the fact that Colombian law stipulates that Congress must approve the NDP by April 30, as soon as President Juan Manuel Santos took office in August 2010 he went straight to work assembling the public policy bedrock necessary to build on his ambitious campaign promises. When the **USAID Public Policy Program** (the Program) began in October 2010, it became clear that the NDP represented a key window of opportunity for the Program to support the GOC develop policies to strengthen State presence, improve service delivery, and generate sustainable livelihoods.

"Prosperity for All," the Santos Administration's NDP for 2010-2014, focuses on social progress through security consolidation, sustained economic growth, job creation and poverty reduction. In the months leading up to the NDP's release by the Santos Administration on February 4, 2011 and its approval by Congress on April 29, 2011, the Program provided crucial technical expertise on important public policy inputs to the Plan. In total, the Program delivered 14 concrete inputs on issues concerning land restitution and formalization, internally displaced peoples (IDPs), income generation, ethnic minorities, the GOC's consolidation policy, sub-national governments, the unemployment system, climate change policy, the Contratos Plan, real estate taxes, the labor market, the National Royalties' system and regional development.

For example, at the request of the High Commissioner for Prosperity, the Program made substantial recommendations to develop the NDP's section on Social Prosperity. In order to enhance the quality of the GOC's response to vulnerable populations, the Program suggested the following: build the operational capacity of the Social Protection Network to Reduce Extreme Poverty (Red Juntos) to provide support to IDPs and other vulnerable populations; improve interagency coordination under Red Juntos to enhance the impact of policies designed to reduce extreme poverty and focus attention on the needs of IDPs; introduce a strategy designed to address the bottlenecks faced during implementation of Red Juntos; and, include a local development dimension to create a business environment for sustainable income opportunities for poor and vulnerable populations. In addition, the Program's support was instrumental in the NDP sections focused on regional development. For example, the GOC included institutionalizing the Program-designed *Contrato Plan* within the NDP as a strategic guideline for strengthening regional capacity to design and implement development projects. This inclusion will allow the Program to continue promoting the Contrato Plan with the GOC as a comprehensive and high-impact planning tool.

Furthermore, the Program's contributions to the NDP included the framework for the construction of an Unemployment Protection System based on individual savings accounts (*cesantías*) and a labor intermediation system. The Program was also active in providing recommendations on real estate tax reform, suggesting an increase in the minimum taxable property value. And, among other inputs, the Program contributed important technical guidance on environmental policy found within the NDP, specifically on issues related to biodiversity policy, low carbon development and payment for environmental services.

Although the successful development of the NDP is, in itself, an enormous accomplishment, the support the Program provided to the GOC was just the first step. Looking forward, the GOC must marshal the financial resources, political capital and technical expertise necessary to implement the law and further develop the policies and programs that are alluded to in the NDP. In reality, the NDP is only a roadmap that the GOC, with the Program's support, must now begin to execute.